

REMARKS

The Applicants respectfully request reconsideration and allowance of Claims 1, 3 through 14, 16 through 22, 24 through 29, and 38 through 42 in view of the following arguments.

The Applicants maintain all of the arguments set forth in the response filed March 18, 2004, in this case. Rather than repeat all of the reasons for allowability set forth in the March 18, 2004, response, the Applicants address below certain errors in the Final Office Action mailed June 23, 2004 (the "Final Office Action").

1. The Claims Specify A Predetermined Outcome Lottery Game

At page 6 the Final Office Action indicates that “the features upon which applicant relies (i.e., predetermined outcome lottery game) are not recited in the rejected claim(s).” In addition to being incorrect, this statement evidences a fundamental misunderstanding of the grounds for patentability previously set forth by the Applicants.

The preamble of claim 1 specifies “A gaming method utilizing a number of stored game records, each game record being associated with a game play outcome.” The elements of the claim go on to describe a process by which a player purchases the stored game records and the associated outcomes. The Applicants note that it is a fundamental characteristic of predetermined outcome lottery games that these games are played with a number of stored game play records where each record is associated with at least one outcome in the game. Thus, claim 1 is indeed specifically directed to a predetermined outcome lottery game. The same is true of each of the other claims remaining in this case.

1 More importantly, however, the Applicants note that the response filed March 18, 2004,
2 does not at any point argue that the claims are allowable because they are directed to a
3 predetermined outcome lottery game. Rather, the response filed March 18, 2004, cites the
4 specific elements in each independent claim that are not found in the cited prior art, and thus
5 shows that the cited art cannot be relied upon to make out even a prima facie case for
6 obviousness. Nothing in the Final Office Action contradicts this failure as to the Examiner's
7 burden to make out a prima facie case of obviousness for a rejection under 35 U.S.C. 103(a).

8
9 2. An Analysis Under 35 U.S.C. 103(a) Requires A Determination Of The Differences
10 Between The Claimed Subject Matter And The Prior Art

11 The Final Office Action cites *In re Keller*, 642 F.2d 413 (C.C.P.A. 1981), and *In re*
12 *Merck & Co.*, 800 F.2d 1091 (Fed. Cir. 1986) for the proposition that one cannot show
13 nonobviousness by attacking references individually where the rejections are based on
14 combinations of references. However, the Applicants have not attempted to show
15 nonobviousness by attacking the references individually. Rather, the Applicants have followed
16 the analytical steps set out almost 40 years ago by the United States Supreme Court in *Graham v.*
17 *John Deere*, 383 U.S. 1 (1966). In particular, the Applicants have ascertained and pointed out
18 the differences between prior art and the subject matter required in the present claims. This is
19 not an attack on the references individually, but a factual inquiry that is fundamental to a proper
20 analysis under 35 U.S.C. §103.

21 It is also noted that the cited language from the Keller case was made in that case in
22 reference to objective evidence that had been submitted by the Appellant admittedly on the point

1 of what a specific single reference suggested. *Keller*, 208 U.S.P.Q. at 882. Thus, the quoted
2 language from the *Keller* case was not made in that case to object to the Appellant's review of
3 the basic *Graham* factual inquiry as to the differences between the prior art and the claims at
4 issue, but was made in response to objective evidence submitted in that case to overcome a prima
5 facie case of obviousness. In the present case, however, the Examiner has failed to make a prima
6 facie case of obviousness because the proposed combination of references does not teach or
7 suggest all of the elements required in the claims as set out in the response filed March 18, 2004.

8
9 3. The Novak Patent Does Not Disclose "Ticket Indicia" As Required By the Present
10 Claims

11 At page 7, lines 3-5, the Final Office Action, referring to U.S. Patent No. 5,239,165 to
12 Novak states "Novak describes having ticket indicia (lotto numbers) wherein each number
13 represents the respective game play outcome associated with stored game play records described
14 in *Schneier*." This statement is simply incorrect. Contrary to the position stated in the Final
15 Office Action, the lotto numbers described in the Novak patent do not each represent a game play
16 outcome of any type and certainly not any game play outcome associated with the game records
17 stored in the *Schneier* patent (U.S. patent No. 5,871,398). The above-quoted statement in the
18 Final Office Action implies that the Novak patent itself references the later *Schneier* patent and
19 equates the Novak lotto numbers to outcomes of the type disclosed in *Schneier*. This is certainly
20 not the case. It is further noted that a game play outcome in a lotto type game is determined by
21 comparing the player's selected lotto numbers to numbers drawn periodically by the lottery
22 authority. Thus, the lotto numbers printed on the ticket in Novak simply cannot be associated

1 with a stored outcome in a game because there are no stored outcomes in a lotto type game such
2 as that disclosed in Novak.

3
4 4. The Prior Art Does Not Disclose the Communications Required From the Player
5 Terminals

6 The Final Office Action in the middle paragraph of page 7 indicates that the
7 communications argued in the March 18, 2004, response are not recited in the rejected claims.
8 This is incorrect and again indicates a misunderstanding of the grounds for patentability
9 described in the response filed March 18, 2004.

10 The response filed March 18, 2004 pointed out that element (d) of Applicants' claim 38
11 requires:

12 a player terminal operatively connected for communication with the ticket data
13 storage device, the player terminal for communicating ticket usage information to
14 the ticket data storage device in response to each game play input entered by a
15 player at the player terminal.

16 The argument in the March 18, 2004, response goes on to point out that the Schneier patent
17 discloses remote player terminals or HTVs which do not maintain communications with any
18 other part of the system during the course of play. Rather, the HTVs allow the player to remotely
19 see the outcomes encoded into the AGAM transferred to the HTV, and then generate a
20 redemption request message to enable players to cash out winnings. The point of this discussion
21 with regard to the communications described in the Schneier patent is that the Schneier patent
22 does not teach or suggest the function specifically required of the player terminal set out at

1 element (d) of Applicants' claim 38. That is, Schneier does not teach or suggest any player
2 terminal (an HTV in Schneier) that functions to communicate ticket usage information to the
3 ticket data storage device in response to each game play input entered by a player at the player
4 terminal. In contrast, the Schneier HTV communicates a redemption request message to the
5 CMC when the player cashes out. It is not sufficient, as the Final Office Action suggests, that the
6 Schneier reference disclose merely communications between the HTV and the CMC. Rather, the
7 Schneier patent must disclose some structure that is capable of performing the function set out in
8 the claim at issue. The Schneier patent clearly does not disclose any player terminal that is
9 capable of communicating ticket usage information to the ticket data storage device in response
10 to each game play input entered by a player at the player terminal.

11
12 5. There Is No Teaching, Suggestion, or Motivation to Combine the Schneier and Novak
13 References As Suggested in the Final Office Action

14 At the top of page 8, the Final Office Action suggests that "one would be motivated to
15 provide ticket-printing capabilities to Schneier in order to satisfy the needs of players that would
16 prefer to play lotto games instead of a predetermined lottery game." It is first noted that the issue
17 is not what one would *be* motivated to do, but what a person of ordinary skill in the art *would*
18 *have been* motivated to do at the time of the present invention. Also, considering the vast
19 differences between the predetermined lottery type system in Schneier and lotto type gaming
20 system in Novak, simply importing the ticket printing capabilities of Novak into the Schneier
21 system would not have allowed a player to play lotto type games in the Schneier system. In a nut
22 shell, the Schneier predetermined lottery type system allowing a player to participate while

1 offline with the lottery system is simply incompatible with the lotto type system described in the
2 Novak patent.

3 Where the proposed combination or modification of references would require a
4 substantial redesign or would change the principle of operation of the reference being modified,
5 there can be no teaching or suggestion to make the proposed combination or modification. *See*
6 M.P.E.P. §2143.01 at page 2100-132, citing *In re Ratti* 123 U.S. P.Q. 349 at 352 (C.C.P.A.
7 1959). In the present case, operating a lotto type game through the Schneier system would
8 require some additional communication of information to the HTVs after a lotto draw is
9 conducted. This communication would be required in order for the HTVs to obtain an outcome
10 for each set of lotto picks. It would seem that this added communication would at the very least
11 defeat the purpose of the Schneier system in providing offline play. Also, modifying the
12 Schneier system so drastically to allow lotto type play would render the resulting game not a
13 game utilizing stored game records with each record being associated with a game outcome as
14 required by all of the present claims. Considering the fundamental changes in the Schneier
15 system that would be required to accommodate lotto type play, and further considering the
16 system that would result from the proposed modification, it would not have been obvious to
17 combine the Schneier and Novak references as suggested in the Final Office Action.

18
19 6. Typographical Error At Page 2 of Final Office Action

20 The sentence that begins the last paragraph on page 2 appears to be incomplete, or at least
21 missing some part. In particular, the clause beginning at the fourth line from the bottom of the
22 page with "each ticket indicia corresponding to a particular..." appears to be missing a clause

1 introducing "ticket indicia." Also, since the Final Office Action concedes at the top of page 3
2 that the Schneier patent does not apply "ticket indicia" to a ticket substrate, it appears that the
3 first part of the paragraph is inconsistent with the last part.

4
5 CONCLUSION

6 For all of the above reasons, and for the reasons set out in the response filed March 18,
7 2004, the Applicants respectfully request reconsideration and allowance of Claims 1, 3 through
8 14, 16 through 22, 24 through 29, and 38 through 42.

9 If the Examiner should feel that any issue remains as to the allowability of these claims,
10 or that a conference might expedite allowance of the claims, he is asked to telephone the
11 undersigned attorney.

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13 Respectfully submitted,

14 The Culbertson Group, P.C.

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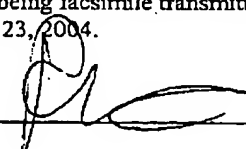
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17 Date: 23 Aug 2004

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29 CERTIFICATE OF FACSIMILE

30 I hereby certify that this correspondence is being facsimile transmitted to the United States Patent and Trademark
31 Office, (Fax No. 703-872-9306) on August 23, 2004.

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